(a) sluggish demand in the steel consuming sector

(b) overall economic slow down in the country

(c) greater competition from imports

(d) cost escalation in input materials for steel industry

(e) decline in domestic and international prices

(f) dumping of finished steel in the country particularly from CIS and South East Asian countries.

Government has taken several steps to help the steel industry overcome the present problems. These are as under:

(i) To boost the demand and consumption of steel the Development Commissioner for Iron & Steel (DCI&S) has launched a National Campaign for increasing the demand for steel especially in non-traditional sectors, such as rural and agro based industrial sector.

(ii) To reduce input for steel making, the special import duty on several inputs such as coking coal (ash content <12%) non-coking coal (ash content <12%), metallurgical coke, ferro nickle, charge nickel and nickel oxide sinters, low silica limestone and graphite electrodes (>28") has recently been waived.

(iii) Anti dumping duty on Hot Rolled Coils imported from Ukraine and Russia has recently been recommended. Steps are being taken for strengthening of anti dumping investigative machinery.

(iv) Rationalisation of Duty Entitlement Pass Book (DEPB) rates for steel exports have been carried out to boost exports.

(v) A Steel Exporters' Forum has been set up to help steel exporters overcome bottlenecks in exports.

(vi) Enhanced project financing to steel sector by All India financial Institutions and relaxation of ECB norms has been strongly recommended.

(vii) Government has set up an Empowered Committee to examine and assist specific Research and Development Projects to improve technology for steel making and enchance quality of Indian Steel.

**Revival Scheme for IISCO**

1650. SHRI NILOTPAL BASU:
SHRI DIPANKAR MUKHERJEE:

will the Minister of STEEL AND MINES be pleased to state:

(a) whether IISCO management has submitted a revival scheme of Rs. 500 crores (approx.) to SAIL and Government; and

(b) if so, the action taken by Government on the same?

THE MINISTER OF STEEL AND MINES (SHRI NAVEEN PATNAIK): (a) and (b) The modernisation proposal for IISCO at an expenditure of Rs. 2,100 crores was submitted by SAIL. Now in the light of the present fund constraints faced by SAIL, another suggestion for an expenditure of Rs. 630 crores as Phase-I of the proposed modernisation has been suggested by SAIL.

IISCO is a sick company, and has been under reference to BIFR for determination of measures in ragard to the future of the company. Any action to be taken on any proposal for modernisation of the company will have to be in accordance with the orders of BIFR.

**Closure of Steel Plants**

1651. SHRI DIPANKAR MUKHERJEE:
SHRI NILOTPAL BASU:

Will the Minister of STEEL AND MINES be pleased to state:

(a) the total number of Mini-Steel Plants closed as on 31st March, 1998;

(b) the total number of workers rendered jobless due to this closures;

(c) the total production capacity remaining idle due to this;

(d) the reaons for the closure of these units; and

(e) the steps taken by Government to prevent the closures?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL AND MINES (SHRI RAMESH BAIS): (a) As per available information 139 Electric Arc Furnace units (Mini Steel Plants) are closed as on 31.3.98.

(b) The total number of workers rendered jobless due to closure is estimated to be around 32,000.

(c) The closed units represent total capacity of 4.99 million tonnes per annum.

(d) The performance of these units has been adversely affected due to various reasons such as high power tariffs coupled with poor quality; rising input costs; uneconomic production capacities; outdated technology; labour, financial and managerial problems; and demand slow down.

(e) Under the extant industrial policy, the Iron & Steel Industry has been completely liberalized. Market conditions therefore determine the fate of any unit. In case of sickness, Government provides the institutional mechanism of BIFR for considering revival option.

**Restructuring the Finances of Rashtriya Ispat Nigam**

1652. SHRI GURUDAS DASGUPTA : Will the Minister of STEEL AND MINES be pleased to state :

(a) whether Government have decided to restructure the finances of Rashtriya Ispat Nigam; and

(b) if not, when Government will finalise the proposal as Rashtriya Ispat Nigam has the latest equipment?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL AND MINES (SHRI RAMESH BAIS): (a) and (b) Government have recently, in May, 1998, approved a financial restructuring of Rashtriya Ispat Nigam Ltd (RINL) and directed RINL to prepare a comprehensive revival plan. A plan has been submitted by RINL and the same is presently under Government's consideration.

**Representation from Private Steel Producers**

1653. SHRI YADLAPATI VENKAT RAO : Will the Minister of STEEL AND MINES be pleased to state :

(a) whether private steel producers have represented against the move of financial institutions to further flow of funds to the sector; and

(b) the steps taken to assist the industry still at the completion stage?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL AND MINES (SHRI RAMESH BAIS): (a) and (b) Some of the steel companies, especially those whose projects are under implementation, have reportedly expressed a view that additional steel capacity may not be funded at present, mainly in the flat products category, due to the present over-capacity and sluggish demand. Department of Steel has advised the financial Institutions to take a pragmatic view on funding the requirements of the steel industry, especially for the projects under implementation.

**अजमेर के निकट धूंधरा क्षेत्र में जस्ता भंडार**

1654. **श्री ओंकार सिंह लखावत:** क्या इस्पात और खान मंत्री यह बताने की कृपा करेंगे कि: